

**Minutes of April 26, 2022**  
**San Joaquin County Clinics Board of Directors**

**Board Members Present:** Paul Antigua (Board Treasurer); Charson Chang; Dr. Farhan Fadoo (CEO); Monica Fuentes; Brian Heck (Vice Chair); Jessica Hernandez; Cynthia King; Karen Lee; Jodie Moreno; Rod Place (Board Chair); Bernadette Pua

**Excused Absent:**

**Unexcused Absent:** Esgardo Medina

**SJCC Staff:** Michael Allen (Board Clerk); Angela Ayala; Dena Galindo; Tanya Ramirez; Erica Sadberry; Rajat Simhan (Consultant); Jeff Slater (Consultant); Alice Soulligne (COO); Susan Thorner (Consultant); Kris Zuniga (CFO)

**Guests:** Tarsha Taylor-Godfrey

AGENDA ITEM	ATTACHMENTS	ACTION
<p><b>1. Call to Order (Rod Place)</b> The meeting was called to order at 5:04 p.m. A quorum was established for today's meeting.</p>	No attachment	No action required
<p><b>2. Approval of Minutes from March 29, 2022 (Rod Place)</b> Meeting minutes from 3/29/22 were approved unanimously.</p>	Board Minutes 2022-03-29	Jessica motioned to approve the minutes and Brian seconded; motion was approved unanimously
<p><b>3. Public Comment</b> none</p>	No attachment	No action required
<p><b>4. Governance Committee (Brian Heck/Susan Thorner)</b> Board membership was discussed regarding Tarsha Taylor-Godfrey. The Governance Committee discussed this at their last meeting and support her membership.</p>	Tarsha CV	Brian motioned to approve Tarsha to full Board membership and Bernadette seconded; motion was approved unanimously
<p><b>5. Credentialing &amp; Privileging Report (Angela Ayala/Tanya Ramirez)</b> Initial appointments are Joella Brewer LCSW, to be approved for privileging. Tarandeep Arora MD, and Simranjit Sekhon MD were the other presentations for this month, but no vote needed at this time.</p>	Credentialing & Privileging Report – April 2022	Jessica motioned to approve the privileging of Joella Brewer and Cynthia seconded; motion was approved unanimously
<p><b>6. Quality Committee Report (Angela Ayala)</b> Introduced Vanessa Macias &amp; Cathy Legaspi as members of the Quality team.</p> <p>Efforts continue to educate clinical staff on quality basics. Training guides have been compiled for onboarding and reference.</p> <p>Badge inserts for coding received little traction with staff, so this is being redesigned as a desktop reference tool. Two staff resources continue their integrated presence within the clinics.</p> <p>Code review sessions with Business Intelligence (BI) in preparation for upcoming QIP audit (due in June 2022). Report validation efforts are currently underway (nearly 50% complete).</p> <p>Sexual Orientation and Gender Identity demographic capture is getting better, but is still inconsistent on a week-by-week basis.</p> <p>Monthly clinical indicators were reviewed. Trends are heading upward, but most still have a ways to go before goals are reached.</p>	Quality Committee Report – April 2022	Cynthia motioned to approve the Quality Committee Report and Brian seconded; motion was approved unanimously

<p><b>7. Finance Committee Report (Kris Zuniga, SJCC CFO)</b>          Billable visits for March are favorable to budget by 2,222 visits. YTD visits have been updated on the December financials due to an updated report received for the additional visits (1,602 visits) that were not captured in the previous months. Additional Patient Revenues have been recorded accordingly. This new methodology has no impact on patient collections. Net Patient Revenues for March are \$481,155 greater than budget. YTD financials reflect a PPS reconciliation liability accrual of \$225,000. YTD Medi-Cal payments for \$2,830,968 have been reflected on the Balance Sheet for FY2015, FY2016, and FY2017 according to the payment plan with DHCS. YTD Income Statement includes interest expense of \$161,579 for PPS liability payments made to DHCS for FY2015, FY2016, and FY2017. YTD financials includes \$8.1M payment from SJGH related to the finalization of FY2020 financial statement audit and according to the separation agreement between SJGH and SJ Health. Also, YTD financials include \$4.1 payment from SJGH related to unaudited FY2021 financial statement and according to the separation agreement between SJGH and SJ Health. YTD financials include funds transferred for \$11,016,199 to San Joaquin County as a payment for payroll and benefits paid by San Joaquin County on behalf of SJ Health from July 2021 through February 2022.</p> <p>YTD Supplemental Revenue includes the recognition of estimated Quality Incentive Program revenue for \$8,974,484. Combined Grants Revenue includes revenues for Essential Access Title X, SOR2, Whole Person Care, Behavioral Health Integration, Health Net, American Rescue Plan (ARP) and other grants for \$1,927,874. Capitation and Managed Care Incentives include the YTD Capitation Revenue with an unfavorable variance to budget by \$564,839 mainly due to non-recognition of HEDIS revenue during the year. Also, Other Income includes the 340B Pharmacy Program revenue for \$998,810 and the program related expenses for \$724,911 are included in Supplies &amp; Other Expenses categories on the financials. YTD financials reflect First Responder Program revenue for \$10,000. YTD Other Revenue includes revenues accrued for \$505,229 related to Purchased Services provided to SJGH by SJCC per the MOU and Interest Income of \$14,698. Total Net Operating Revenues are favorable to budget by \$1,957,323.</p> <p>YTD Salaries and benefits expenses exhibit an unfavorable variance to budget of \$543,672. March financials include a favorable adjustment of \$533,333 to true up the estimated accrued expenses related to Residents' Salaries and Benefits and Other Expenses from July through February. Other operating expenses exhibit an unfavorable variance of \$694,312 largely due to Purchased Services with favorable variance of \$955,963 mainly offset by unfavorable variance in Professional Fees, Supplies, Interest and Miscellaneous Expenses \$1,650,275. An estimated expense for the Purchased Services is recorded from July through March based on the MOU.</p> <p>Unaudited, as presented, Net Income of \$2,040,869 on a year-to-date basis is favorable compared to budget by \$719,339.</p> <p>Capital Link benchmarks show operating margin at 4% against a target of &gt;3%, bottom line margin at 7% against a</p>	<p>Finance Committee Report – March 2022</p>	<p>Charson motioned to accept the Finance Committee Report and Monica seconded; motion was approved unanimously</p>
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<p>target of &gt;3%, days cash on hand at 96 days against a target of &gt;45 days, days in net patient receivables at 35 against a target of &lt;60 days, and personnel-related expenses at 73% against a target of &lt;70%.</p>		
<p><b>8. <u>Legislative Updates &amp; Grants (Jeff Slater)</u></b> California budget is due by June 15<sup>th</sup>.</p> <p>SB 939 is being proposed to protect the 340B drug pricing program.</p> <p>SB 966 is being proposed to allow for the continued funding of Social Workers and MFTs once the COVID emergency order expires.</p> <p>SB1014 is being proposed to make Enhanced Clinically Integrated Program (ECIP) funds available for FQHCs &amp; LALs participating in a 3-year pilot Alternative Payment Methodology (APM) program, as allowed under current state law.</p> <p>We are seeking retroactive approval of the grant proposal to pursue funding from Congressman Josh Harder as an FY2023 Community Project Funding effort. This was aided by letters of support from several local agencies.</p> <p>We are seeking retroactive approval of the grant proposal to pursue funding from Congressman Jerry McNerney as an FY2023 Community Project Funding effort. This was aided by letters of support from several local agencies.</p> <p>We are seeking approval to pursue a \$60,000 grant to support COVID-related expenses from January 2020 to current.</p>	<p>Legislative Update – April 2022; Retroactive Grant Proposal – FY2023 CPF Harder; Retroactive Grant Proposal – FY2023 CPF McNerney; Approval of Grant Proposal – ARP-UDS+</p>	<p>Cynthia motioned to retroactively approve pursuing the CPF grant request to Josh Harder and Brian seconded; the motion was approved unanimously</p> <p>Cynthia motioned to retroactively approve pursuing the CPF grant request to Jerry McNerney and Karen seconded; the motion was approved unanimously</p> <p>Brian motioned to approve pursuing the ARP-UDS+ grant and Charson seconded; the motion was approved unanimously</p>
<p><b>9. <u>ZIP Code Reconciliation (Rajat Simhan)</u></b> 99% of patient population is within our HRSA service area of San Joaquin County (required minimum is 75%).</p>	<p>Zip code reconciliation 04222022</p>	<p>Cynthia motioned to accept the ZIP code reconciliation and Jessica seconded; motion was approved unanimously</p>
<p><b>10. <u>Review Form 5A &amp; 5B (Jeff Slater)</u></b> Deferred to next month's meeting</p>	<p>No attachments</p>	<p>No action required</p>
<p><b>11. <u>Board Training (Susan Thorner)</u></b> Discussed how UDS data is collected, why it's collected, and how we use this data to better serve our community by reducing inequities in health care delivery.</p>	<p>Board Training – UDS Data</p>	<p>No action required</p>
<p><b>12. <u>CEO Report (Dr. Farhan Fadoo)</u></b> COVID-19 concerns have significantly diminished. Attempting to find the right balance between telehealth and in-person visits.</p> <p>FY23 budget was well received by the County Auditors and will go to the Board of Supervisors for a vote on 6/7/22. Admin HQ is now occupied by staff and the SJ Health brand launch begins in May. Clinics are in the process of receiving new paint, flooring, and signage.</p> <p>No HRSA site visit realistically expected this year, but probably in 2023.</p> <p>Efforts continue on the 67 projects related to our strategic plan. 10 are now complete.</p>	<p>CEO Report – April 2022</p>	<p>No action required</p>

**13. Adjournment**

There being no further topics of discussion, Rod Place adjourned the meeting at 6:24 p.m.

No attachments

No action required